House Engrossed

FILED KEN BENNETT SECRETARY OF STATE

State of Arizona House of Representatives Forty-ninth Legislature Second Regular Session 2010

CHAPTER 70

HOUSE BILL 2348

AN ACT

AMENDING TITLE 12, CHAPTER 9, ARTICLE 2, ARIZONA REVISED STATUTES. BY ADDING SECTION 12-1539; AMENDING TITLE 25, CHAPTER 3, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 25-318.01; AMENDING TITLE 25, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 25-530; RELATING TO MILITARY DISABILITY BENEFITS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Title 12, chapter 9, article 2, Arizona Revised Statutes,

is amended by adding section 12-1539, to read:

12-1539. Veterans disability benefits: exemption from seizure

- A. NOTWITHSTANDING SECTION 12-1521, FEDERAL DISABILITY BENEFITS AWARDED TO VETERANS FOR SERVICE-CONNECTED DISABILITIES PURSUANT TO 38 UNITED STATES CODE CHAPTER 11:
 - 1. ARE EXEMPT FROM THE CLAIM OF CREDITORS.
- 2. ARE NOT SUBJECT TO ATTACHMENT, LEVY OR SEIZURE UNDER ANY LEGAL OR EQUITABLE PROCESS, AS PROVIDED BY FEDERAL LAW.
 - 3. MAY NOT BE AWARDED TO ANY OTHER PERSON.
- B. THIS SECTION DOES NOT APPLY TO THAT PORTION OF SERVICE-CONNECTED DISABILITY BENEFITS THAT IS SUBJECT TO CHILD AND SPOUSAL SUPPORT ENFORCEMENT UNDER 42 UNITED STATES CODE SECTION 659(h)(1)(A)(ii)(V).
- Sec. 2. Title 25, chapter 3, article 2, Arizona Revised Statutes, is amended by adding section 25-318.01, to read:

25-318.01. <u>Military retirement benefits; disability related</u>
waiver

IN MAKING A DISPOSITION OF PROPERTY PURSUANT TO SECTION 25-318 OR 25-327, A COURT SHALL NOT DO ANY OF THE FOLLOWING:

- 1. CONSIDER ANY FEDERAL DISABILITY BENEFITS AWARDED TO A VETERAN FOR SERVICE-CONNECTED DISABILITIES PURSUANT TO 38 UNITED STATES CODE CHAPTER 11.
- 2. INDEMNIFY THE VETERAN'S SPOUSE OR FORMER SPOUSE FOR ANY PREJUDGMENT OR POSTJUDGMENT WAIVER OR REDUCTION IN MILITARY RETIREMENT OR RETAINER PAY RELATED TO RECEIPT OF THE DISABILITY BENEFITS.
- 3. AWARD ANY OTHER INCOME OR PROPERTY OF THE VETERAN TO THE VETERAN'S SPOUSE OR FORMER SPOUSE FOR ANY PREJUDGMENT OR POSTJUDGMENT WAIVER OR REDUCTION IN MILITARY RETIREMENT OR RETAINER PAY RELATED TO RECEIPT OF THE DISABILITY BENEFITS.
- Sec. 3. Title 25, chapter 5, article 1, Arizona Revised Statutes, is amended by adding section 25-530, to read:

25-530. Spousal maintenance: veterans disability benefits

IN DETERMINING WHETHER TO AWARD SPOUSAL MAINTENANCE OR THE AMOUNT OF ANY AWARD OF SPOUSAL MAINTENANCE, THE COURT SHALL NOT CONSIDER ANY FEDERAL DISABILITY BENEFITS AWARDED TO THE OTHER SPOUSE FOR SERVICE-CONNECTED DISABILITIES PURSUANT TO 38 UNITED STATES CODE CHAPTER 11.

APPROVED BY THE GOVERNOR APRIL 16, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2010.

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